American Book Publishers Council Holds Its Annual Meeting—I

The annual meeting, May 13, of the American Book Publishers Council, is covered in three parts in this issue of PW. In this section we summarize the reports given by Melville Minton, John O'Connor, Emil F. Staral, Raymond C. Harwood, Theyer Hobson and Stanley M. Rinehart, Jr. In Part II, page 2235, the Press and Radio Committee's report is given. Part III, page 2237, presents the Book Distribution Committee report. Curtis W. McGraw was elected president of the Council, to succeed Melville Minton, who has served for two terms

► Reports by working committees of the American Book Publishers Council gave more than ordinary significance to the Council's annual meeting, held May 13 at the New York Athletic Club, Travers Island, Pelham, New York. Some 140 representatives of 61 book publishing houses heard what Melville Minton of Putnam, retiring president of the Council, described as "the most constructive" reports yet presented to a Council meeting.

The session opened in the morning wit a report by the treasurer, Frank S. Ma Gregor, president of Harper, which demo. strated the strong financial condition of t Council. Committee reports followed: John O'Connor of Grosset & Dunlap s chairman of the Traffic Committee; by St ley M. Rinehart, Jr., of Rinehart & Co. s chairman of the Foreign Trade Committ by Emil F. Staral of Grosset & Dunlap s chairman of the Credit Committee; by K neth S. Giniger of Prentice-Hall as chairman of the Press and Radio Committee (p. ge 2235), and by Raymond C. Harwood f Harper as chairman of the Statistics C n- mittee.

Sam B. Warner, the Register of Copyrights, gave an off-the-record talk as a gu st of the Council, and asked the publishers for continuous information as to book copyright problems. Benjamin Stern of Stern & Reubens, leading copyright attorney, was also present as a guest of the Council.

New members of the board of directors were elected at the close of the morning session, and the new board immediately met and elected Curtis W. McGraw, vice-president and treasurer of the McGraw-Hill Book Company, as president of the Council. Mr. McGraw succeeds Melville Minton, president of Putnam's. (See page 2254).

The following new directors were elected: John O'Connor, president of Grosset & Dunlap; Robert L. Crowell, president of Thomas Y. Crowell Co.; Thomas J. Wilson, director of the Harvard University Press; Leon

Shimkin, secretary and treasurer of Simon and Schuster.

Directors whose terms have not yet expired are: Douglas Black, president of Doubleday; George P. Brett, Jr., president of Macmillan; Thayer Hobson, president of Morrow; Alfred A. Knopf, president of Knopf; Stanley M. Rinehart, Jr., president of Rinehart; Lawrence Saunders, president of W. B. Saunders; and Mr. McGraw.

Following a luncheon at which the new president was installed and special tribute was paid to the retiring president, the afternoon session was devoted largely to the reports of the Book Distribution Committee, formerly known as the Outlets Committee, under the general chairmanship of William H. Rose, Jr., of Harper. (See page 37). In addition, Thayer Hobson of Morrow reported for the Author Relations Committee, Mr. McGraw for the Dues Committee and Mr. Minton delivered his annual report.

PRESIDENT'S REPORT: ROBERTSVILLE MINTON

Mr. Minton, in his annual report, pointed out that "at the present moment representatives of 29 member houses are serving on Council committees," and have given generously in time and energy to the cooperative effort. He paid tribute to the individual committee chairman and to the directors and members of the executive committee, including Curtis McGraw, Douglas Black, Whitney Darrow, Dana Ferrin, Frank McGregor. He warmly acknowledged the work of John O'Connor, Thayer Hobson, Alfred Knopf and their committees, and urged publishers to "study with great care" the report of Emil Staral's Credit, Tax and Insurance Committee. As members gain more knowledge of the work by the Foreign Trade Committee, its increasing importance will become apparent, he predicted. "One of the most needed jobs done during the past year," he added, "was done by Ray Harwood and his group" in developing industry statistics.

Success of the Book Distribution Committee "means sales, which, in turn, mean profits," Mr. Minton said. "There is nothing intangible in the work of this committee. Spearheaded for many months by Whitney Darrow, and, for the past six months under the chairmanship of Bill Rose, working with all the others on the committee, the results of this committee's work will be far-reaching. It will mean the . . . building and developing of outlets throughout the country. . . ."

Referring to the Dues Committee, Mr. Minton explained that "when the new Council was set up, it was planned to make, at the end of its first three years, a complete investigation and possibly a revision of the dues structure. Curtis McGraw was asked to take this assignment . . . and has presented a tentative program. If the Council is to remain strong—and it must—it needs to be well-financed and to be kept always in a position comparable to the strong one it occupies today."

An important section of Mr. Minton's report was devoted to the question of a public relations program. Mr. Minton stated that the Council's board of directors, acting in part on a recommendation as to the need for such a program, made to it by the Publishers Lunch Club, had engaged a well-known public relations consultant, David Hinshaw, to survey the industry and draw up a program for the consideration of

Council members. (See *PW*, February 14, 1948.) Mr. Minton reported that the program had been completed and had received preliminary consideration, and that it was being referred to the board of directors for further study. In comment, he said in part:

"We know that something is needed. We know that ways must be found to sell more books if the industry is to continue to prosper. We know that the industry must look beyond tomorrow. . . ."

Mr. Minton referred to the work of the Joint Board of Publishers and Booksellers (page 2225), and spoke at some length on bookseller-publisher relationships and on the function of the book industry as a national institution. He said, in part:

"The retailer doesn't need to be coddled. He needs to be treated sanely and soundly and with every possible consideration, but it must be made clear that we are traveling a two-way street and that the favors cannot be all on one side. It is, of course, necessary that there be the strongest possible relationship between publisher and bookseller, which we are not going to get or hold if we continue the methods that we have been using."

"The Council is established, Mr. Minton went on to say. "It has proved its worth, and I think that publishers, as a whole, are completely convinced of the necessity for the strongest possible organization. There are many things that can and should be done, all for the benefit of the industry."

Mr. Minton called for an increased awareness among publishers of the Council's work. He praised the work of Harry West, managing director, in building up "the potential power of the Council," and said it was largely due to Mr. West's efforts that "government, in its various branches, has come to recognize the Council as the spokesman for book publishing in America."

BOOK POSTAL RATES: JOHN O'CONNOR

Mr. O'Connor reported for the Traffic Committee, but spoke primarily as the chairman of the National Postal Committee for Books, of which the Council, among other groups, is a member. He pointed out objections which the committee has raised to recent postal rate-making bills, explained factually a new bill (see page 2251), and showed the effect on the book industry of some proposed book postage rates. He emphasized that the important thing for the book trade is to establish the principle of parity between books and magazines.

The National Postal Committee for Books, Mr. O'Connor said, feels that the principle of parity (this does not mean identical rates for books and magazines) will not be achieved unless public opinion demonstrates the need, and the Committee plans to propose means of publicizing the parity idea.

ese methods, Mr. O'Connor indicated, y include the presentation of the case to mbers of Congress, librarians, educators, hors; preparation of posters and leaflets bookstores; appealing to publishers for f mention in mailing pieces, ads and ets of the present disparity between k and magazine rates.

CREDIT, TAX, INSURANCE COMMITTEE: EMIL F. STARAL

Mr. Staral, who headed the Book Publishers Bureau for the past two years until it was merged with the Council and made a department of the Council (*PW*, January 17, 1948), reported on the three-fold activities of his committee. The other members of the committee are Herbert Early of Dodd, Mead, and Max Meyerson of S&S.

Reporting on the committee's credit service, Mr. Staral said financial and operating statements from about 700 book sales outlets were obtained during the past year and analyzed by Harry J. Feeley, manager of the Council's Credit, Tax and Insurance Division. About 70,000 copies of these reports were released to Council members.

"Perhaps the most important phase of the credit work," said Mr. Staral, "is the continuous clearance of ledger experience with the thousands of book sales outlets being serviced by member publishing houses. By ledger experience we mean the actual record of sales and payments obtained in a questionaire from the membership." These reports are released at least once every three months for all accounts, and in some cases on a monthly or even daily basis. Flash reports by Mr. Feeley, together with his correspondence, provided members with data for avoiding bad debts.

Tax bulletins, Mr. Staral reported, "are issued periodically through the office of J. K. Lasser & Company, tax advisors to the Council."

Mr. Staral reviewed the insurance services provided through A. M. Foster Company, Inc., insurance advisor to the Council, and, beginning April 14, 1943, to the old Book Publishers Bureau. The insurance firm acts as trustee under blanket contracts, which provide savings through concentration of risk, for group authors' insurance, all risks (inventory, plates, etc.) and comprehensive group insurance. Mr. Staral reported that over $1,000,000 worth of insurance under the blanket group authors' policy is in force now, and claims of about $50,000 have been settled with entire satisfaction of the members involved." The blanket all risks policy now protects $10,000,000 worth of property, against which claims of more than $100,000 have been paid to members, Mr. Staral continued, and total insurance in force under a Group Trusteed Package Plan amounts to $3,000,000, $250,000 having been paid in claims since 1945. Forty-one member pub-

lishers use the Trusteed Plan and 15 to 20 other firms have direct policies with the Foster company.

Interest meanwhile has been shown in the new policy to cover liability for libel and plagiarism claims (*PW*, March 6, 1948), Mr. Staral said, and Foster has advised the committee "that in order to put into effect a blanket contract of this kind the wholehearted cooperation of all members is necessary."

Mr. Staral added that "Mr. Feeley has acted as counsellor for well over 500 people during the year who have expressed an interest in entering the field of retail book sales." Also through Mr. Feeley, the committee has advised the Veterans Administration on matters of bookstore management and has interviewed many veterans wishing to enter publishing.

STATISTICS COMMITTEE: RAYMOND C. HARWOOD

Mr. Harwood reported that following the release at the turn of the year of the two recent Statistics Committee reports, "Cost and Sales Analysis" and "Salary Ranges and Personnel Practices" (*PW*, January 3), showing the status of the industry in 1946, suggestions for improving subsequent annual surveys have been obtained, through informal discussions and a current questionaire. Suggestions have included:

"1. Collection of information regarding relationship of returns to gross sales.

"2. Classification of operating statistics by regular publishers, reprint publishers, paper book publishers, book clubs and subscription and mail order houses.

"3. Additional analysis of selling costs to show separately cost of advertising, cost of promotion, cost of books given away, ratio of salesmen's expenses to sales, and ratio of number of salesmen to sales.

"4. More detailed figures on inventory turnover, perhaps departmentalized.

"5. Examination of jobber sales geographically, to permit integration with publisher sales.

"6. Expansion of the list of important book cities.

"7. Departmentalization of the report, if possible, so that figures may be shown separately on adult books (fiction and non-fiction), juvenile books, religious books, etc."

Early in 1948, Mr. Harwood continued, his committee "joined with a similar committee of the American Textbook Publishers Institute in collecting statistics in preparation of a report entitled 'Special Survey of Book Publishers' Inventory & Expenditures 1946-1948,' copies of which already have been distributed to members. This report showed substantial increases in publishers' inventories at the end of 1947 as compared with the end of 1946, and indicated the probability of sharp reductions in disbursements for manufacturing in the year 1948 as compared with 1947."

Mr. Harwood thanked the following for their work during the committee's first year: Harry S. Dale of Book-of-the-Month Emanuel S. Harper of Random House; William E. Hawke of McGraw-Hill; Leon Shimkin of Simon and Schuster; S. S. Slaight of Rinehart; H. Kenneth Marks of J. K. Laser, consultant. The committee now consists of Mr. Dale, who concerns himself with production problems; Mr. Harwood general and administrative problems; Mr. Shimkin, sales problems; William Sloane of William Sloane Associates, editorial problems.

COMMITTEE ON AUTHOR RELATIONS: THAYER HOBSON

The Council's Committee on Author Relations, Mr. Hobson reported, has aided various Council members, when asked for help, in the field of author-publisher relationships; and has studied the contract recommended by the Society of Agents, and sent an analysis to all members.

Mr. Hobson called attention to the pamphlet recently distributed by the Authors' Guild, entitled "The Authors Guild Program," and said: "The committee infers that this pamphlet was distributed in support of the recent decision on the part of the Authors' Guild to assess their members one per cent of their writing income."

He read paragraphs in the pamphlet which are of interest to book publishers. These paragraphs, condensed from Mr. Hobson's summary, include the following passages:

"The ultimate aim of the Guild with re-

entire staff of the Council (with the exception of Harry J. Feeley, manager of the Credit & Insurance Division, who was attending the ABA convention in Chicago when these pictures were taken) are: (seated left to right) Eva Lenten; Inez M. Natt, office manager; Miss West; Gertrude A. Schult, mimeographing department; Kathryn B. Stuber, Mr. Cameron's secretary; Lorretta A. Carr, Mr. Payne's secretary; (standing left to right) Margaret T. Roman, Mr. Feeley's secretary; Thomas Payne; Nora M. Moriarity, in charge of files; J. Orie Curry, in charge of placement service and receiving visitors; and Donald S. Cameron (photo by Charles Meyer)

gard to the writer of books is to secure him the highest possible financial reward in royalties, the greatest protection in contracts, the highest possible distribution to the public, and to limit the participation of the publisher solely to revenues from the sale of books.

"Up to now, in a large percentage of contracts between book publishers and authors, even in some instances when the authors are established, the author donates 25 to 50 per cent of the motion picture rights of his book to the publisher. As a first step toward our goal of abolishing this practice in its entirety, the Guild has succeeded in its first *minimum* contract negotiated with a book publisher, in reducing this percentage to a maximum of 15 per cent and limited this privilege to 2 years . . . this contract represents merely an ***irreducible minimum.*** . . . Our program for 1948-1949 includes continuing the work of negotiating minimum book contracts. . . ."

The Guild plans a continuing survey of "the facts and figures behind publishing," to be kept up to date, "so that at all times authors who are negotiating a book contract, or planning to do so, may be aware of current conditions in the book publishing business." It plans a study as to expanding the book reading public and publishing cheap editions. "Out of such a survey," the Guild pamphlet stated, "might come many things, plans for new ways of publishing, for tapping new markets, for help to the author who sells three to five thousand copies and has been squeezed out of the market."

As to anthologies, "the ultimate aim of the Guild is to put a stop to outright fees and to see all payments from material in-

cluded in anthologies on a royalty basis."

Members of the committee, with Mr. Hobson, include Douglas Black, Whitney Darrow, Alfred McIntyre and Stanley Rinehart.

FOREIGN TRADE COMMITTEE: STANLEY M. RINEHART, JR.

"Since the last annual meeting of the Council," Stanley Rinehart said in opening his report as chairman of the Foreign Trade Committee, "the feeling of Government officials, both in the State Department and in Congress, toward the value of books in world rehabilitation, has changed considerably, and for the better. . . . As a result, books have been given a more prominent position in the plans for the revitalized informational program, commonly known as the Smith-Mundt Act (*PW*, January 17, 31, February 7). This act has been passed and is now law, but the appropriations therefor have not yet been voted. The following excerpts should prove of interest. . . .

" 'The Secretary of State is authorized to provide for interchanges between the United States and other countries of books and periodicals, including Government publications, for the translation of such writings, and for the preparation, distribution and interchange of other educational materials. . . . In carrying out the provisions of this Act it shall be the duty of the Secretary to utilize, to the maximum extent practicable, the services and facilities of private agencies, including existing American press, publishing, radio, motion picture, and other agencies, through contractual arrangements or otherwise. It is the intent of Congress that the Secretary shall encourage participation in carrying out the purposes of this Act by the maximum number of different private agencies in each field consistent with the present or potential market for their services in each country.' "

Mr. Rinehart referred briefly to the meetings which he and Harry West had had during the past year with Under-Secretary of State Lovett and other members of the State Department staff in an attempt to arrive at a working formula for achieving dollar payments to American publishers.

"An additional recognition of the importance of informational media on the part of Congress," Mr. Rinehart went on to say, "may be found in the European Recovery Program. The ERP Act, as it was finally passed, provides a $15,000,000 revolving fund to be used for the protection of investments of enterprises producing or distributing informational media. In commenting on this clause, the Conference Committee of the House has this to say:

" 'The members of the committee of conference recognize that the nature of the information media industry is such that in many cases the investment to which the guaranty will apply will have been made in the United States and the product of the investment sold or exhibited abroad. In these cases the guaranty might well apply to the convertibility of foreign currencies earned by the sale or exhibition of the products of the industry, to the extent of the dollar cost of production wholly attributable to those specific products.' "

"There is still a tendency on the part of the government," Mr. Rinehart said, "to limit this purchase of exchange to the publisher's actual cost, omitting any profit margin, and your committee has—we believe rightly—pointed out that no other commodity except the informational service has been on a strict cost basis under the Recovery Plan. The amount to be requested for the Smith-Mundt Act has been set at $50,000,000, which might be cut to $40,000,000 or $35,000,000. It is not at the moment clear whether the $15,000,000 under the European Recovery Act would be shaved from other appropriations or not."

Mr. Rinehart commented on the report entitled "Books in World Rehabilitation," prepared by his committee in collaboration with the American Textbook Publishers Institute and the Association of American University Presses. (See *PW*, May 1.) Now slightly revised, the report is being distributed in pamphlet form to members of Congress, government officials, educators and others.

Mr. Rinehart discussed the status of publishing U.S. titles in Germany, Austria, Japan and Korea. He recalled the meeting several months ago between the Foreign Trade Committee and various publishing control officers of U.S. Military Government in Germany.

(See *PW* on publishing in Germany;

March, 20, 29, May 3, December 27, 1947; January 24, 1948; in Japan, May 22, April 24, 1948; September 20, 1947.)

After the meeting with U.S. Publishing Control officers, Mr. Rinehart's committee suggested that the Army invite a group of publishers to advise military authorities as to book production in Germany and Austria. "The Army was most enthusiastic about the proposal," Mr. Rinehart said. The delegation recently formed will go to Europe in mid-June, to stay in Germany a month. (See *PW*, May 1.) William Sloane and Robert De Graff represent the Council on this delegation; George P. Brett, Jr. and Edward Crane, The American Textbook Publishers Institute; and Stahley Thompson is technical adviser.

"A period of declining exports," said Mr. Rinehart in conclusion, may be expected "until the appropriations for the European Recovery Program and the Smith-Mundt Act are worked out, and a system established by which American publishers can receive dollars in return for foreign currency. . . . The one hopeful factor is that the Government has been made as aware of the problem as we are, and the agencies involved are anxious to be as helpful as possible."

American Book Publishers Council—II: Press and Radio Committee

At the annual meeting of the Book Publishers Council May 13, Kenneth S. Giniger, Prentice-Hall publicity manager, chairman of the Press and Radio Committee of the Council, spoke of the progress which has been made in that field

► In existence only since last fall, the Press and Radio Committee of the American Book Publishers Council has already produced several extensive studies of book promotion media, and has further studies under way. Kenneth S. Giniger of Prentice-Hall chairman of the committee, summarized its work and future plans in his report at the Council's annual meeting. The committee consists of the publicity committee of the Publishers Adclub. (*PW*, November 1, 1947).

The Council's recent survey of book coverage in daily newspapers of the United States was the committee's first major activity. Two reports were tabulated, covering 607 daily papers (*PW*, November 8, March 13). The committee recommended that this survey be repeated annually. The information from the first survey has been used to check publishers' lists of reviewers and has been furnished to newspaper syndicates as a source of possible markets for book features. Because "few publishers can afford to send review copies of most books to all the daily newspapers which would like to have them," the committee feels publishers should encourage the development of syndicated book material to serve the smaller papers.

The committee's survey of newspaper news and feature syndicates has been completed and results will shortly be available.

Following up an earlier recommendation for "a complete survey of book coverage in periodicals . . . especially in the interest of those publishers of specialized books which are not usually reviewed in the daily press" (*PW*, November 29), Mr. Giniger said his committee now urged making such a survey at five-year intervals following the first one.

The Council's recent survey of book coverage by radio outlets was the committee's

second major activity of the year, and covered 360 programs on 333 stations (*PW*, November 8, March 13), admittedly more of an indication than a complete listing. The committee urges an annual radio survey, to include FM and television outlets. The survey so far has been used by publishers' publicity departments and by radio syndicates and agencies. Aware that no publisher can possibly cover all radio publicity outlets with review copies, the committee emphasized the value of encouraging "any agency which can effectively service large numbers of radio stations with book material."

RADIO BOOK PROMOTION AND OTHER COOPERATIVE PROJECTS

Because many replies to the radio survey asked how radio stations might obtain book programs, the committee decided to do some experimenting on its own. Mr. Giniger described briefly the recorded programs made in cooperation with WNYC, New York (*PW*, March 13) and said it was hoped that the first programs would soon be broadcast.

In addition the committee recommended strongly "that the Council set up a continuing program under which professionally-prepared scripts and transcriptions can be supplied to radio stations."

Under the heading of interchange of information, Mr. Giniger reported several activities.

The calendar of publicity events (press conferences, literary parties, etc.) which the Council now maintains was set up at the committee's suggestion.

The committee is now surveying the list of lecturers formerly carried on by the Adclub, will distribute a report in the fall, and recommends an annual survey, by questionnaire to lecturers and to the bookstores they give as references.

With the cooperation of Press and Radio Committee members, the Council headquarters serves as a clearing house for information and advice regarding reviewers, lecturers, radio programs, book fairs, etc. The committee recommends a procedure for discussion of publicity suggestions, so that recommendations can be made "which can carry the weight of authority." This would apply, for example, to large-budget projects, including book fairs and cooperative radio programs.

The committee is now trying to standardize the informational forms which publicity departments fill out monthly for the use of various agencies in the book and library field.

In addition to the *Publishers' Weekly*-Adclub Awards for advertising campaigns (page 2242), the committee recommended awards for promotion campaigns, and *Book Merchandising* agreed to sponsor such awards.

The committee recommends that it continue to function as liaison between the Council and the Publishers Adclub.

Discussing the possible expansion of publicity and promotion, Mr. Giniger said his committee had, in making its surveys, "uncovered hitherto unknown and unserviced outlets for book and author publicity and promotion." Efforts to serve and utilize these outlets and others which will come to light can be most effective through cooperation, the committee believes, and it "therefore recommends that the Council, either alone or in cooperation with manufacturers', booksellers', librarians' and authors' organizations, set up a procedure for servicing these new outlets which can . . . give far greater penetration to book publicity. . . ."

DISCUSSIONS LOOKING TOWARDS INDUSTRY-WIDE PROMOTION

Finally, Mr. Giniger reviewed the informal discussions which committee members and others have held, with *PW's* cooperation (*PW*, January 3, 24, February 7), of a possible industry-wide promotion program.

It has been suggested that a small group of those who took part in the discussions try to work out a plan for the cooperation of different groups in the industry, and this group "will eventually present a tentative plan to all the larger groups concerned." The Press and Radio Committee urges full cooperation by the Council in establishing an instrument to "coordinate the efforts of various organizations and individuals to widen the nation's reading interests and further the distribution and interest in books."